

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of )  
Banking and Insurance, State of )  
New Jersey, to fine, suspend, )  
and/or revoke the insurance )  
producer licenses of Eagle School )  
Abstract Company, Reference No. )  
0200854 and Christopher G. Ritchie, )  
Reference No. 9719307 )

**FINAL ORDER**

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TO: Christopher G. Ritchie  
332 West 11<sup>th</sup> Avenue  
Conshohocken, PA 19428-1422

Eagle School Abstract Company  
c/o Christopher G. Ritchie  
332 West 11<sup>th</sup> Avenue  
Conshohocken, PA 19428-1422

Christopher G. Ritchie  
205 Westridge Pl N  
Phoenixville, PA 19460-3380

Eagle School Abstract Company  
c/o Christopher G. Ritchie  
205 Westridge Pl N  
Phoenixville, PA 19460-3380

This matter, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that Christopher G. Ritchie ("Ritchie") and Eagle School Abstract Company ("Eagle School"), (collectively, the "Respondents"), may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Eagle School was previously licensed as a non-resident insurance producer pursuant to N.J.S.A. 17:22A-32 before its license expired on May 31, 2012; and

WHEREAS, Ritchie was previously licensed as a non-resident insurance producer pursuant to N.J.S.A. 17:22A-32 before his license expired on April 30, 2011; and

WHEREAS, pursuant to N.J.S.A. 17:22A-32b(2), Ritchie was the Designated Responsible Licensed Producer ("DRLP") and owner of Eagle School, and responsible for the conduct of Eagle School; and

WHEREAS, New Jersey Title Insurance Company ("NJ Title") is a title insurance company organized in the State of New Jersey and licensed to conduct the business of title insurance; and

WHEREAS, Eagle School and Ritchie are subject to the provisions of the New Jersey Insurance Producer Licensing Act ("Producer Act"), N.J.S.A. 17:22A-26, et seq., and the Title Insurance Act of 1974 ("Title Act"), N.J.S.A. 17:46B-1 et seq., and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(2), an insurance producer shall not violate any insurance laws, regulations, subpoenas or orders of the Commissioner or of another state's insurance regulator; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(4), an insurance producer shall not improperly withhold, misappropriate or convert any monies or properties received in the course of doing insurance business; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(8), an insurance producer shall not use fraudulent, coercive or dishonest business practices, or demonstrate incompetence, untrustworthiness or financial irresponsibility in the conduct of insurance business; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(9), an insurance producer shall not have its insurance producer license, or its equivalent, denied, suspended or revoked in any other state, province, district or territory; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(16), an insurance producer shall not commit any fraudulent act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(18), an insurance producer shall not fail to notify the Commissioner within 30 days of the suspension or revocation of any insurance license or authority by a state, other than this State, affecting the producer's insurance license; and

WHEREAS, pursuant to N.J.S.A. 17:22A-42a, an agent shall abide by the terms of its written agency contract with an

insurer; and

WHEREAS, pursuant to N.J.S.A. 17:22A-45a, the Commissioner shall have the power to conduct investigations, to administer oaths, to interrogate licensees and others, and to issue subpoenas to any licensee or any other person in connection with any investigation; and

WHEREAS, pursuant to N.J.S.A. 17:22A-45c, any person violating the Producer Act shall be liable for a civil penalty not exceeding \$5,000.00 for the first offense and not exceeding ~~\$10,000.00 for each offense subsequent offense, as well as,~~ costs of the investigation and restitution of moneys owed any person; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40d and N.J.A.C. 11:17-2.14(c), the Commissioner shall retain the authority to enforce the provisions of, and impose any penalty or remedy authorized by, the Producer Act against any person who is under investigation for or charged with a violation of the Producer Act even if the person's license or registration has been surrendered or has lapsed by operation of law; and

WHEREAS, pursuant to N.J.S.A. 17:22A-47, an insurance producer shall report to the Commissioner any administrative action taken against the insurance producer in another jurisdiction or by another governmental agency in this State

within 30 days of disposition of the matter; and

WHEREAS, pursuant to N.J.S.A. 17:46B-10.1a, every title insurance producer licensed pursuant to the Producer Act shall maintain a separate record of all receipts and disbursements as a depository for funds representing closing and settlement proceeds of a real estate transaction, which funds shall be deposited in a separate trust or escrow account, and which shall not be commingled with a producer's or company's own funds or with funds held by a producer or company in any other capacity; and

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WHEREAS, pursuant to N.J.A.C. 11:17A-4.8, an insurance producer shall reply, in writing, to any inquiry of the Department relative to the business of insurance within the time requested, or no less than 15 calendar days from the date the inquiry was made or mailed in cases where no response time is given; and

WHEREAS, pursuant to N.J.A.C. 11:17A-4.10, an insurance producer acts in a fiduciary capacity in the conduct of his or her insurance business; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.1(a), an insurance producer shall hold all premium funds in a fiduciary capacity and shall not misappropriate, improperly convert to the insurance producer's own use or illegally withhold premium

funds; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.2(c), all title insurance settlement funds shall be disbursed within five business days after settlement except as determined by the parties; and

IT APPEARING that on July 28, 2008, Eagle School entered into an agency agreement with New Jersey Title Insurance Company ("NJ Title"), whereby NJ Title appointed Eagle School an issuing agent of title insurance, and Eagle School agreed to originate and solicit applications for title insurance, hold settlements and closings of real estate transactions and conduct the business of title insurance on behalf of NJ Title in the State of New Jersey; and

WHEREAS, the Commissioner issued Order to Show Cause No. E15-127 on December 21, 2015 ("OTSC"), alleging violations of New Jersey insurance laws by the Respondents as set forth in the following Counts:

**COUNT 1**

**(Eagle School and Ritchie)**

IT FURTHER APPEARING that between April, 2009 and August, 2011, Respondents Eagle School and Ritchie conducted twenty-eight (28) real estate settlement closings where Eagle School issued NJ Title policies to the twenty-eight (28) purchasers in each real estate transaction; and

IT FURTHER APPEARING that Respondents Eagle School and Ritchie collected the title insurance premiums at each of the twenty-eight (28) real estate settlement closings; and

IT FURTHER APPEARING that Respondents Eagle School and Ritchie issued title policies, collected premiums and failed to remit premiums to NJ Title for each of the following identified title policy numbers: 1) ESA-8285, 2) ESA-8341, 3) ESA-8354, 4) ESA-8359, 5) ESA-8375, 6) ESA-8393, 7) ESA-8520, 8) ESA-8614, 9) ES-8687, 10) ESA-8696, 11) ESA-8697, 12) ESA-8709, 13) ESA-8712, 14) ESA-8730, 15) ESA-8738, 16) ESA-8739, 17) ESA-8754, 18) ESA-8817, 19) ESA-8818, 20) ESA-8840, 21) ESA-8845, 22) ESA-8847, 23) ESA-8863, 24) ESA-8865, 25) ESA-8888, 26) ESA-8889, 27) ESA-8897, and 28) ESA-8923.

IT FURTHER APPEARING that Respondents Eagle School and Ritchie failed to remit premium payments to NJ Title, pursuant to their agency agreement, from the twenty-eight (28) real estate settlement closings, in the total amount of \$3,945.96; and

IT FURTHER APPEARING that Respondents Eagle School and Ritchie improperly withheld, misappropriated and converted funds belonging to insureds, received in the course of conducting insurance business, which constitutes fraudulent and dishonest practices and demonstrates incompetence, untrustworthiness and financial irresponsibility in the conduct of insurance business, in violation of N.J.S.A. 17:22A-40a(2), (4), (8) and (16), N.J.S.A. 17:46B-10.1a, N.J.A.C. 11:17A-4.10, N.J.A.C. 11:17C-2.1(a) and N.J.A.C. 11:17C-2.2(c); and

**COUNT 2**

**(Eagle School and Ritchie)**

IT FURTHER APPEARING that Respondents Eagle School and Ritchie failed to abide by the terms and duties of their agency agreement with NJ Title when they failed to remit premiums as agreed, failed to hold these funds in a fiduciary capacity and failed to submit monthly reports to NJ Title as required by their agency agreement, in violation of N.J.S.A. 17:22A-42a and N.J.S.A. 17:22A-40a(2), (4), (8) (16) and N.J.A.C. 11:17A-4.10; and

**COUNT 3**

**(Ritchie)**

IT FURTHER APPEARING that on or about October 6, 2009 the State of Maryland, Maryland Insurance Commissioner, revoked Ritchie's non-resident insurance producer license for, among other violations, showing a lack of trustworthiness or competence; and

IT FURTHER APPEARING that on or about March 25, 2011 the State of Virginia, Bureau of Insurance, revoked Ritchie's license to transact insurance business for failure to comply with insurance laws; and

IT FURTHER APPEARING that Ritchie failed to report or notify the Commissioner within 30 days of the above mentioned administrative action by the State of Maryland in violation of N.J.S.A. 17:22A-40a(9), (18) and N.J.S.A. 17:22A-47a.

IT FURTHER APPEARING that Ritchie failed to report or notify the Commissioner within 30 days of the above mentioned administrative action by the State of Virginia in violation of N.J.S.A. 17:22A-40a(9), (18) and N.J.S.A. 17:22A-47a.



**COUNT 4**

**(Ritchie)**

IT FURTHER APPEARING that on May 11, 2012, pursuant to N.J.S.A. 17:22A-45a, the Department issued Subpoena No. 12-08 to Ritchie requesting that he appear to give a statement to the Department and provide various documents regarding the allegations contained in this Order to Show Cause; and

IT FURTHER APPEARING that, although Respondent Ritchie participated in an interview with the Department on June 13, 2012, he failed to provide documents in his possession after several requests by the Department from July 9, 2012 through March 8, 2013, in violation of N.J.S.A. 17:22A-40a(2) and (8) and N.J.A.C. 11:17A-4.8; and

IT FURTHER APPEARING that Respondents were given notice of the aforesaid charges and an opportunity to contest the charges at a hearing pursuant to Order to Show Cause No. E15-127; and

IT FURTHER APPEARING that as set forth in the certification of service of Carl M. Bornmann, Deputy Attorney General, attached hereto as Exhibit A, under cover letter dated December 30, 2015 and January, 8 2016, Order to Show Cause No. E15-127 was sent by certified and regular mail to the addresses listed in the Order to Show Cause, and the mailing was successfully delivered to Respondent Ritchie at his residential address at 205 Westridge Pl N, Phoenixville, PA. 19460-3380 as evidenced by the fact that the regular mailing was not returned by the U.S.

Postal Service and the certified mailing receipt was signed by Ritchie and received by this office; and

IT FURTHER APPEARING that as set forth in the certification of service of Carl M. Bornmann, Deputy Attorney General, attached hereto as Exhibit A, under cover letters dated December 30, 2015 and January, 8 2016, Order to Show Cause No. E15-127 was sent by certified and regular mail to the addresses listed in the Order to Show Cause, and the regular mailing at the last business address of Respondent Eagle School was not returned and ~~the mailing was successfully delivered to Respondent Eagle School c/o Ritchie at the residential address of Ritchie at 205 Westridge Pl N, Phoenixville, PA. 19460-3380 as evidenced by the fact that the regular mailing was not returned by the U.S. Postal Service and the certified mailing receipt was signed by Ritchie and received by this office; and~~

NOW, THEREFORE, IT IS on this 21<sup>ST</sup> day of JUNE, 2016:

ORDERED that the charges contained in Order to Show Cause No. E15-127 are deemed admitted by Respondents due to Respondents' failure to respond to the alleged violations, pursuant to N.J.A.C. 11:17D-2.1(b); and

IT IS FURTHER ORDERED that, pursuant to N.J.S.A. 17:22A-40,

and N.J.A.C. 11:17D-2.1(b)2, the non-resident insurance producer licenses of Respondents Ritchie and Eagle School are **REVOKED** effective upon the execution of this Final Order by the Commissioner; and

IT IS FURTHER ORDERED that, pursuant to N.J.S.A. 17:22A-45c, that Respondents shall be responsible for the payment of civil penalties for violations of the Producer and Title Acts as follows:

Count 1: Respondents Ritchie and Eagle School shall be ~~jointly and severally responsible for the payment of civil~~ penalties totaling \$140,000.00 for misappropriating premium on 28 separate occasions and demonstrating fraudulent and dishonest business practices in the conduct of insurance business. These civil penalties consist of a \$5,000.00 civil penalty for each of the 28 violations of the Producer and Title Acts; and

Count 2: Further, Respondents Ritchie and Eagle School shall be jointly and severally responsible for the payment of civil penalties totaling \$5,000.00 for failing to abide by the terms of their agency agreement with N.J. Title by failing to remit insurance premiums and failing to file monthly reports; and

Count 3: Further, Respondent Ritchie, individually, shall be responsible for the payment of civil penalties totaling

\$10,000.00 for failing to notify the Commissioner of two administrative actions taken against Ritchie in Maryland and Virginia for failure to comply with insurance laws of those States; and

Count 4: Further, Respondent Ritchie, individually, shall be responsible for the payment of civil penalties totaling \$5,000.00 for failing to comply with the Department's subpoena to produce records; and

IT IS FURTHER ORDERED that, pursuant to N.J.S.A. 17:22A-45c and N.J.A.C. 11:1-32.4(b)20, Respondents Ritchie and Eagle School shall reimburse the Department of Banking and Insurance, jointly and severally, for the costs associated with the investigation of this matter, as evidenced by the Certification of Investigator Eugene Shannon, attached hereto as Exhibit B, totaling \$2,100.00; and

IT IS FURTHER ORDERED that Respondents Ritchie and Eagle School shall pay the above fines and costs totaling \$162,100.00 in full by remitting payment to the Commissioner of Banking and Insurance, State of New Jersey, 20 West State Street, P.O. Box 329, Trenton, New Jersey 08625, Attention: Virgil Downtin, Chief of Investigations by certified check, cashier's check or money order made payable to the "State of New Jersey, General Treasury," within ten (10) days from the date of service of this

Order; and

IT IS FURTHER ORDERED that pursuant to N.J.S.A. 17:22A-45c, Respondents Ritchie and Eagle School shall make restitution to NJ Title in the total amount of \$3,945.96 as described in Count 1 of Order to Show Cause No. E15-127; and

IT IS FURTHER ORDERED that in the event full payment of the fines and costs are not made, the Commissioner may exercise any and all remedies available by law, including but not limited to recovery of any unpaid penalties, in accordance with The Penalty Enforcement Law, N.J.S.A. 2A:58-10 et seq.; an

IT IS FURTHER ORDERED that the fines in this Final Order are imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and the protection of the public health, safety and welfare, and are not intended to constitute debts which may be limited or discharged in a bankruptcy proceeding; and

IT IS FURTHER ORDERED that the provisions of this Final Order represent a final agency decision and constitute a final resolution of the allegations contained in Order to Show Cause No. E15-127; and

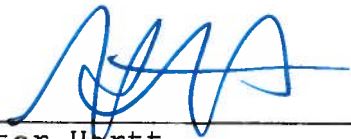
  
\_\_\_\_\_  
Peter Hartt  
Director of Insurance

EXHIBIT A

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of )	
Banking and Insurance, State of )	CERTIFICATION OF
New Jersey, to fine, suspend, )	DEPUTY ATTORNEY GENERAL
and/or revoke the insurance )	CARL M. BORNMANN
producer licenses of Eagle School )	
Abstract Company, Reference No. )	
0200854 and Christopher G. Ritchie, )	
Reference No. 9719307 )	

I, Carl M. Bornmann, of full age, do of my own personal knowledge make the following statements by way of certification in lieu of affidavit pursuant to R. 1:4-4(b):

1. I am a Deputy Attorney General assigned as counsel for the Commissioner of Banking and Insurance, State of New Jersey, ("Commissioner"), in the above-captioned matter. I make this certification in support of entry of the Final Order in the above-captioned case against Respondents Eagle School Abstract Co. ("Eagle School") and Christopher G. Ritchie ("Ritchie").

2. On December 15, 2015, the Commissioner issued Order to Show Cause No. E15-127 against Respondents Eagle School and Ritchie charging them with violations of the insurance laws of this State, pursuant to N.J.S.A. 17:22A-40.

3. Under cover letter dated December 30, 2015, our office served Respondents Eagle School and Ritchie with Order to

Show Cause No. E15-127 at Respondents' last known business address. Specifically, the cover letter and Order to Show Cause were sent via certified mail, return receipt requested, and regular mail to Respondents' last known business address at 332 West 11<sup>th</sup> Avenue, Conshohocken, PA 19428.

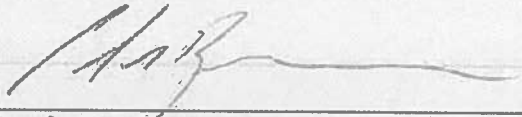
4. Respondents Eagle School and Ritchie were successfully served at 332 West 11<sup>th</sup> Avenue, Conshohocken, PA 19428 as evidenced by the fact that the regular mail was not returned and the certified mailings were returned "unclaimed". A true and exact copy of the unclaimed mailings is attached as Exhibit 1.

5. Under cover letter dated January 8, 2016, our office served Respondents Eagle School and Ritchie with Order to Show Cause No. E15-127 at Respondent Ritchie's last known residential address. Specifically, the cover letter and Order to Show Cause were sent via certified mail, return receipt requested, and regular mail to Respondents at Respondent Ritchie's residential address at 205 Westridge Pl N, Phoenixville, PA 19460-3380.

6. Respondents Eagle School and Ritchie were successfully served at 205 Westridge Pl N, Phoenixville, PA 19460-3380 as evidenced by the fact that the regular mail was not returned and the certified mailing receipts were signed by a resident at Ritchie's address and received by this office. A true and exact copy of the signed mailing receipts is attached as Exhibit 2.

7. Pursuant to N.J.S.A. 11:17D-2.1(a)3, service of the Order to Show Cause in this manner constitutes lawful service upon Respondents Eagle School and Ritchie.

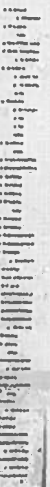
I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

  
\_\_\_\_\_  
Carl M. Bornmann  
Deputy Attorney General

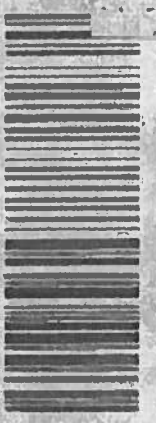
Dated: 6-20-18



# EXHIBIT 1



CERTIFIED MAIL™



2013 171D 0000 7959 6299



US POSTAGE  
ZIP 08628  
02 1M  
000138942

**DEPARTMENT OF LAW AND PUBLIC SAFETY**

*From*

Carl M. Borrmann, DAG

Richard J. Hughes Justice Complex

DIVISION OF LAW

PO BOX 117

TRENTON, NJ 08625

Christopher G. Ritchie

32 West 11<sup>th</sup> Avenue

Shohocken, PA 19428

**UNCLAIMED**

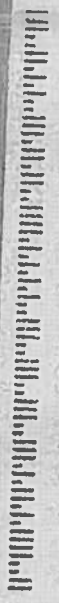
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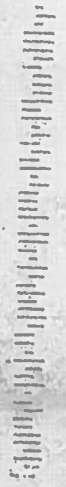
NIXIS

194283009-1N

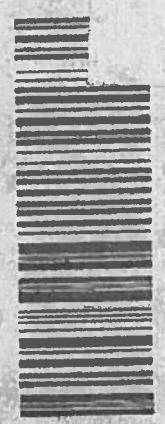
01/27/16

RETURN TO SENDER  
UNCLAIMED  
UNABLE TO FORWARD  
RETURN TO SENDER

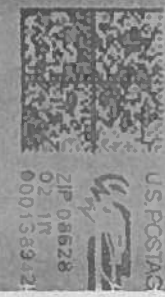




REGISTERED MAIL



7013 1710 0000 7959 6282



U.S. POSTAGE

ZIP 08628  
02 1R  
0001389121

Carl M. Borrmann, DAG

**DEPARTMENT OF LAW AND PUBLIC SAFETY**

*From*  
Richard J. Hughes Justice Complex

DIVISION OF LAW PO BOX 117 TRENTON, NJ 08625

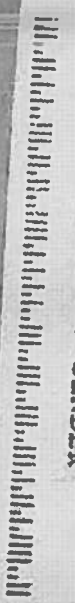
To: Eagle School Abstract Co.  
c/o Christopher G. Ritchie  
332 West 11<sup>th</sup> Avenue  
Conshohocken, PA 19428

**UNCLAIMED**

NIXIE 194283009-1N

01/27/16

RETURN TO SENDER  
UNCLAIMED  
UNABLE TO FORWARD  
RETURN TO SENDER



# **EXHIBIT 2**

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
 Christopher G. Ritchie  
 205 Westridge PI N  
 Phoenixville, PA 19460-3380



9590 9403 0386 5163 4327 16

2. Article Number (Transfer from service if help)  
 7013 1710 0000 7954 6329  
 PS Form 3811, April 2015 PSN 7630-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

- A. Signature  X *MA Ritchie*  Agent
- B. Received by (Printed Name)  Addressee
- C. Date of Delivery
- D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type
- Adult Signature
  - Adult Signature Restricted Delivery
  - Certified Mail®
  - Certified Mail Restricted Delivery
  - Collect on Delivery
  - Collect on Delivery Restricted Delivery
  - Insured Mail
  - Insured Mail Restricted Delivery (over \$500)
  - Priority Mail Express®
  - Registered Mail™
  - Registered Mail Restricted Delivery
  - Return Receipt for Merchandise
  - Signature Confirmation™
  - Signature Confirmation Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
 Eagle School Abstract Co.  
 c/o Christopher G. Ritchie  
 205 Westridge PI N  
 Phoenixville, PA 19460-3380



9590 9403 0386 5163 4327 23

2. Article Number (Transfer from service if help)  
 7013 1710 0000 7954 6336  
 PS Form 3811, April 2015 PSN 7630-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

- A. Signature  X *MA Ritchie*  Agent
- B. Received by (Printed Name)  Addressee
- C. Date of Delivery
- D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type
- Adult Signature
  - Adult Signature Restricted Delivery
  - Certified Mail®
  - Certified Mail Restricted Delivery
  - Collect on Delivery
  - Collect on Delivery Restricted Delivery
  - Insured Mail
  - Insured Mail Restricted Delivery (over \$500)
  - Priority Mail Express®
  - Registered Mail™
  - Registered Mail Restricted Delivery
  - Return Receipt for Merchandise
  - Signature Confirmation™
  - Signature Confirmation Restricted Delivery

Domestic Return Receipt

EXHIBIT B

Proceedings by the Commissioner of) Banking and Insurance, State of New Jersey, to fine, suspend and/or revoke) the insurance producer licenses of) Eagle School Abstract Company,) Reference No. 0200854 and Christopher) G. Ritchie, Reference No. 9719307. )

CERTIFICATION OF COSTS  
BY INVESTIGATOR  
EUGENE SHANNON

I, Eugene Shannon, of full age, do of my own personal knowledge make the following statements by way of certification in lieu of affidavit pursuant to R. 1:4-4(b):

1. I am an investigator with the New Jersey Department of Banking and Insurance, Division of Enforcement and Consumer Protection ("Department").

2. This certification is submitted in support of the Department's application for reimbursement of its costs of investigation and prosecution, in accordance with N.J.S.A. 17:22A-45(c).

3. On or about February 10, 2012 I was assigned responsibility for conducting an investigation to determine whether Christopher G. Ritchie and Eagle School Abstract Co., may have violated certain provisions of the New Jersey Producer Licensing Act of 2001, N.J.S.A. 17:22A-26, et seq., and related insurance regulations.



prosecution for violations of the New Jersey Insurance Producer Licensing Act, N.J.S.A. 17:22A-40, are reimbursable at the rate of \$50.00 per hour, rounded to the nearest quarter hour.

6. I therefore request that the Department's costs of investigation and prosecution be reimbursed in the amount of \$2,100.00.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements are willfully false, I am subject to punishment.

  
Eugene Shannon

Dated: April 18, 2016.